

Montana's CHIP program steady, but uninsured plentiful

By MIKE DENNISON

Tribune Capitol Bureau

Diana Stidham remembers what medical care was like for her kids before they were covered by the state Children's Health Insurance Program, and it wasn't pretty.

"I would call the doctor and explain over the phone what was going on," she said. "But if she couldn't help me over the phone, then we usually just didn't go to the doctor, because we couldn't afford it. ...

"If we couldn't handle it over the phone, my kids just suffered."

Since 1999, however, things have changed for Stidham's three daughters, ages 7 to 16. When they get sick now, they go to the doctor or hospital -- and coverage from Children's Health Insurance Program, or CHIP, helps pay most of the bills.

"If I didn't have CHIP, I don't know where I'd be," she said.

Stidham's daughters are among 10,700 Montana kids insured by CHIP, a government-funded health insurance plan for low-income children that began four years ago under the Clinton administration.

The federal government instituted the program and funds 80 percent of its costs, but states



TRIBUNE PHOTO BY STUART S. WHITE

Diana Stidham, center, helps her daughters, from left, Dea, Dusty and Danielle, get a head start on making Valentine cards. Stidham's kids are a few of the thousands served by the Children's Health Insurance Program, a program now being scaled back across America.

must authorize and design the program and pay the remaining 20 percent.

In the face of budget crises, many states have been cutting their versions of CHIP, leaving thousands of kids uninsured.

xIn Montana, however, state funding for CHIP has remained steady since the program's inception in 1999. While Montana hasn't used all its federal money available for CHIP, the state's program has avoided significant cuts.

"I think Montana has been very careful and very frugal, but has planned for sustained growth (in the program)," said Gail Gray, director of the Department of Public Health and Human Services. "I think the people of Montana and our Legislature felt that insurance for the most vulnerable is an important investment, not only morally, but financially. ...

"Kids who are healthy learn better, (and) if they have preventative care, they are healthier over a longer time. It just makes sense."

Montana spends \$2.7 million a year on CHIP, matching about \$11 million in federal funds. This fiscal year, it added another \$3.2 million, thanks to a one-time \$609,000 windfall of excess federal funds that brought in \$2.6 million in matching federal money.

The program covers kids whose families earn 150 percent of the federal poverty level or less, and who don't qualify for Medicaid, the state-federal program that pays medical bills for the poor.

In Montana, that income ceiling for a family of three is \$22,900, covering a huge amount of the state population.

Yet, while CHIP is praised by policy-makers and customers alike, advocates for the poor and others say Montana still has many children without health insurance.

A recent state-sponsored study by the University of Montana on the state's health care needs said 24,000 children in families earning less than 150 percent of the poverty level remain uninsured.

"That just blew me away," said Mary Noel, chief of the state Health Care Resources Bureau, which oversees CHIP. "I had no idea that there were that many (uninsured) kids."

Mary Caferro of Working for Equality and Economic Liberation, a low-income advocacy group, said that's all the more reason to maintain and expand CHIP.

"There are still a lot of good reasons to invest in CHIP and continue working on it," she said. "We have 17 percent of our children who aren't insured. We also have to make sure that the package of coverage stays solid."

Martz's decision to direct one-time federal money toward expanding CHIP added about 1,000 more kids to the insured rolls. Still, Montana underspends its entire federal authority for the program and could expand it by spending more state funds.

John Morrison, the state auditor and insurance commissioner, is a strong supporter of CHIP and said the state should absolutely increase its investment in the program.

If the state increased its investment by \$3 million a year, it would capture an additional \$12 million in federal funds and insure another 10,000 kids, he said.

"We're leaving a lot of money on the table by not using our full CHIP allotment," he said.

Stidham said she first heard about CHIP through the North Central Montana Boys and Girls Club four years ago, an afterschool program attended by her daughters.

Stidham had been unemployed and her family had been without insurance for three years.

While she and her husband, Shayne, both have jobs and could buy insurance through their employers, they just can't afford the several hundred dollars a month payments, she said.

"We're struggling now as it is, and if we had to pay for insurance out of our checks, we wouldn't be making it," Stidham said. "There is just no way."

One of their daughters suffers from childhood arthritis, while another has Raynaud's syndrome, a circulatory disorder that can cause numbness in the hands and feet or other parts of the

body.

Each had to visit the hospital emergency room this fall, when they had injuries or attacks related to their condition. Under CHIP, the cost to the Stidhams is \$5 per visit.

Stidham said she runs into the occasional critic who resents that her family has government-funded insurance.

"I say, if it wasn't for CHIP, there would be kids out there who would be deathly sick and have nothing to help them," she said. "People just don't understand how much it helps."

The only shortcoming Stidham sees with CHIP is its limited dental coverage. One of her daughters has two teeth growing up inside her gums, but CHIP won't cover the surgery or orthodontia to correct the problem.

"We've been looking for four years for someone to help her with her teeth, and nothing yet," she said. "She is pretty messed up there, and there's nothing we can do about it."

Noel said Stidham's complaint is a common one. In annual surveys of CHIP clients, almost everyone said more dental coverage is needed, she said.

"Dental care is our most-used benefit," Noel said. "It's the same problem everyone else has."

Still, CHIP has not had any significant changes or cutbacks since it began in Montana four years ago, Noel said.

But it does cap the number of people it can serve, resulting in a waiting list.

This year, Gov. Judy Martz allocated \$609,000 of excess federal funds to expand the state share of CHIP, enabling the state to garner another \$2.6 million in federal CHIP funding and sign up 1,300 more kids. That technically cleared the waiting list, although the list likely will grow again as more people apply than can be served with the available funds.

Noel said the state is trying to raise private funds to cover that same \$609,000 state share next year.

One reason CHIP has been so successful in Montana, officials say, is because of cooperation from both public and private entities.

Doctors and other providers have offered discounts for CHIP patients, and insurer Blue Cross/Blue Shield of Montana has worked to put the program together.

"There is just widespread support for it," said director Gray. "It's been a lot of people working together the way private and public entities should."

Originally published Sunday, January 11, 2004